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UNITED STATES DEPARTMENT OF AGRICULTURE  
AGRICULTURAL ADJUSTMENT ADMINISTRATION  
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INSTRUCTIONS FOR THE DETERMINATION OF THE RATE OF DEDUCTION  
FOR COUNTY ASSOCIATION EXPENSES UNDER THE 1940 Department of Agriculture  
AGRICULTURAL CONSERVATION PROGRAM.

The work involved in determining the rate of deduction for county association expenses under the 1940 Agricultural Conservation Program shall be performed in the Application for Payment Section in the State office. Form NCR-434, "Computation Sheet for Determination of Rate of Deduction for County Association Expenses under 1940 Agricultural Conservation Program," shall be prepared for each county association in the State. Such form will be prepared when the State committee determines that a representative sample of Forms NCR-425 for a county has been computed, but not before the factor for adjusting payments for participation is received.

At the time the Form NCR-434 is prepared for a county it will be necessary that the person in charge of the Application for Payment Section obtain from the State committee an estimate of the number of Forms NCR-425 which will be submitted from such county. This estimate should be based upon the number of Forms NCR-403 signed in the county. Such estimates shall be obtained sufficiently early to prevent any delay in the computation of the rate for the deduction of county association expenses.

No entry will be made on NCR-434, item 10, except for counties in Nebraska from which Forms NCR-459 will be received. For such counties in Nebraska it will be necessary for the person in charge of the Application for Payment Section to obtain from the State committee the entry to be made on NCR-434, item 10. In making this estimate, the State committee shall take into consideration adjustment for participation and increases for small payments.

The person in charge of the Application for Payment Section shall request (1) the Statistical Section to furnish the necessary percentage for adjusting the estimated payment for each county for increases for small payments; (2) the State accountant to furnish the data for items 12 and 13 of NCR-434; (3) the County Associations Section to furnish the data for items 15 and 17 of NCR-434. These data are to be determined in each instance in accordance with the procedure set forth in Parts I, II, and III of this NCR-State 410.

PART I. STATISTICAL SECTION

1. For the purpose of adjusting the estimated payments to be earned in a county under the 1940 Agricultural Conservation Program the Statistical Section shall, upon receipt of a request from the Application for Payment Section, furnish the percentage that the total increase for adjustment of small payments was, of the total



computed payments, minus the total computed deductions for each county association in the State under the 1939 Agricultural Conservation Program. Obtain such percentage as follows:

- a. Subtract from the total of the entries in column 10 of NCR-338a the total of the entries in column 11 of such form.
- b. Divide the total of column 12 by the result obtained under paragraph a above.
2. Determine that entries on NCR-338a have been brought up to date before computation of the above percentages.
3. The percentage figures for all completed counties may be determined immediately in order to prevent delay.

## PART II. STATE ACCOUNTANT.

1. Upon receipt of a request from the Application for Payment Section for data to be used in determining the rate of deduction for administrative expenses of a county association, the State accountant shall prepare in duplicate and shall certify a schedule to be prepared as follows:
  - a. The schedule shall be entitled "Data from State Accountant for Form NCR-434."
  - b. The schedule shall consist of three columns with the following headings:
    - (1) County Name and Code Number
    - (2) 1939 County Association Deductable Expenses
    - (3) Adjusted Amount of Deductions Made for 1939 Expenses.
  - c. Enter in column (a) the name and code of the county for which data are being furnished.
  - d. From the County Records of Association Expense Payments under Appropriations 1292226(21)-0659 and 1202226(21)-0659, enter in column (b) the amount of 1939 association expenses which shall be determined as follows:

From the total of the county association expenses applicable to the 1939 ACP, (column 4 of the county records under both appropriations) deduct the total of the collections shown in column 9 of the county records under both appropriations.

- e. From the County Record of Payments and Deductions under Appropriation 1202215(21).031-0653, enter in column (c)



the total of the "Deductions" column (which will include Form NCR-334, or Form NCR-334A, adjustments posted to the "Deductions" column) for the county listed on the same line in column (a).

- f. The State accountant shall certify the data entered on the schedule as being correct on the date on which it is signed by him.
- g. Forward the original of the schedule to the Application for Payment Section and retain the duplicate copy in a pending file until all Forms NCR-434 to which it relates have been received.

### PART III. COUNTY ASSOCIATIONS SECTION AND STATE COMMITTEE

- 1. Upon receipt of a request from the Application for Payment Section the County Associations Section will furnish to the Application for Payment Section the following information for each county with respect to which the request is made:

- a. The estimated amount of 1940 county association expenses.

- (1) This amount shall represent the total amount of expenses incurred or to be incurred in connection with the authorized work of the association during the period January 1, 1940, to December 31, 1940, inclusive, less the sum of the amounts of money represented by the following:

- (a) Expenses incurred or to be incurred in connection with the 1940 Parity Payment Program during the period January 1, 1940 to December 31, 1940, inclusive;
    - (b) Expenses incurred or to be incurred in connection with the 1940 Sugar Beet Program during the period January 1, 1940 to December 31, 1940, inclusive.
    - (c) Expenses incurred or to be incurred in connection with the Crop Insurance Program during the period January 1, 1940, to December 31, 1940, inclusive;
    - (d) Fees and Collections received or to be received in connection with the Commodity Loan Programs during the period January 1, 1940, to December 31, 1940, inclusive.

- b. Credit for unusual expenses or conditions.

- (1) The State committee will allocate to certain counties within the State an amount of money as an allocation for nondeductible expenses. In making this allocation



it is intended that the amount allocated to the State be distributed equitably among the counties. Factors to be considered by the State committee in making such allocation are: small farms, low productivity, low payments, factors (other than inefficiency) necessitating high expenses within the county, fire and theft losses sustained by the association, any other unusual expense or condition affecting the particular county. Consideration may be given also to the amount of administrative expense which was not deducted in 1939 because of the provision relating to the \$10,000 limitation of payments. This amount may be obtained from the State accountant.

The foregoing information shall be prepared in duplicate. Both copies of such information will be dated and signed by the member of the State committee directly responsible for county association work. The original thereof shall be forwarded to the Application for Payment Section and the copy thereof filed in the County Associations Section.

After NCR-434 has been completed by the Application for Payment Section, a signed and dated copy will be furnished to the County Associations Section. This copy shall be filed in the County Associations Section.

#### PART IV. APPLICATION FOR PAYMENT SECTION

Prepare Form NCR-434 in quintuple (original and four copies). Enter the name of the State and the name of the county in the spaces provided therefor in the upper right-hand corner.

1. Enter in item 1 the estimated number of Forms NCR-425 covering farms with respect to which an NCR-403 was executed, which are expected from the county. The entry for this item will be obtained from the person in charge of the Application for Payment Section.
2. Count and enter in item 2 the number of Forms NCR-425 for which computations have been completed. Exclude any Forms NCR-425 which indicate that a farm plan was not executed for the farm covered by such NCR-425.
3. Enter in item 3 the result obtained by dividing the entry in item 2 by the entry in item 1. Enter the result as a decimal fraction.
4. Enter in item 4 the total payments for the computed Forms NCR-425. Obtain this total by adding the entries in Section IV, items 12(d), 12(g), and 12(j) for each applicant for whom a serial number has been entered in the heading of Section IV.
5. Enter in item 5 the total of all deductions computed for multiple applicants. Obtain this total by adding the entries in Section IV,



items 12(f), 12(i) and 12(l) for each applicant whose serial number is greater than "7000." Do not exclude Forms NCR-425 which indicate that a farm plan was not executed for the farm.

6. Enter in line 6 in the space provided therefor the estimated percentage of the deductions computed and entered in item 5 which it is estimated will be deducted from the payments computed and entered in item 4. (This percentage entry will ordinarily be from 60 percent to 90 percent since the total deductions entered in item 5 represent the deductions computed for multiple applicants only.) Enter in item 6 the result obtained by multiplying the entry in item 5 by the percentage entry in line 6.
7. Enter in item 7 the result obtained by subtracting from the entry in item 4 the entry in item 6.
8. Obtain item 8 as follows:
  - a. Multiply item 7 by 100 percent minus the percentage adjustment for participation.
  - b. Multiply the result obtained under (a) above by 100 percent plus the percentage for small payment increases furnished by the Statistical Section.
9. Enter in item 9 the result obtained by dividing the entry in item 8 by the entry in item 3. Consideration should be given to any unusual factors, e.g., large payments, \$10,000 limitation, etc. which may affect the sample and its relation to the total payments for the county.
10. Enter in item 10 the estimated gross payments that will be made in connection with Forms NCR-459. This entry will be made only for certain counties in Nebraska. The entry for this item will be obtained from the person in charge of the Application for Payment Section.
11. Enter in item 11 the sum of the entries in items 9 and 10. If the State committee feels that the entry in item 11 is too high or too low, Form NCR-434 shall be prepared again after a more representative sample of Forms NCR-425 has been received and computed.
12. Enter in item 12 the amount of the 1939 county association expense which will have been furnished by the State accountant.
13. Enter in item 13 the amount of deductions made for county association expense in 1939. This entry will have been furnished by the State accountant and will have been adjusted for any excess or deficiency in deductions made under the 1938 Agricultural Conservation Program and for any credits which may have been allowed under the 1939 Agricultural Conservation



Program. If all payments under the 1939 Agricultural Conservation Program have not been completed, estimate the balance of such payments to be made. Multiply this estimated amount by the rate of deduction for administrative expense for the county in 1939 and add the result to the adjusted amount of deductions made under the 1939 Agricultural Conservation Program which was furnished by the State accountant and enter the total in item 13. Asterisk such entry.

14. Enter in item 14 the result obtained by subtracting from the entry in item 12, the entry in item 13. If the entry in item 13 is larger than the entry in item 12, enter zero in item 14.
15. Enter in item 15 the data for such item furnished by the County Associations Section.
16. Enter in item 16 the result obtained by subtracting from the entry in item 13 the entry in item 12. If the entry in item 12 is larger than the entry in item 13, enter zero in item 16.
17. Enter in item 17 the data for such item furnished by the County Associations Section.
18. Enter in item 18 the sum of the entries in items 16 and 17.
19. Enter in item 19 the result obtained by subtracting from the sum of the entries in items 14 and 15, the entry in item 18.
20. Enter in item 20 the percentage obtained by dividing the entry in item 19 by the entry in item 11. Fractions shall be rounded to the nearest one-tenth of one percent.

Review, Certification, and Distribution of Form NCR-434.

1. Upon completion of the entries and computations on Form NCR-434 independent reviews of such form shall be made by two review clerks.
2. If it is determined that Form NCR-434 has been properly prepared, the original and each copy of Form NCR-434 shall be dated and signed by the person in charge of the Application for Payment Section and the chairman of the State committee.
3. The original of Form NCR-434 shall be retained in the State Application for Payment Section; the first copy shall be forwarded to the Control Accounts and Reports Section, Agricultural Adjustment Administration, Washington, D. C.; the second copy shall be forwarded to the North Central Division, Agricultural Adjustment Administration, Washington, D. C.; the third copy shall be forwarded to the State accountant; and the fourth copy shall be forwarded to the County Associations Section.

4. Prepare a memorandum to the Chief of Party of the General Accounting Preaudit Office for the signature of the certifying officer setting forth the rate of deduction for administrative expense which has been determined for the county association.
5. Form NCR-434 will be printed and a supply furnished to each State. A sample copy is attached hereto, and if the form is needed before the printed supply is received, a sufficient number for immediate use should be typed.



Form NCR-434 (Sample)  
U. S. DEPARTMENT OF AGRICULTURE  
Agricultural Adjustment Administration  
North Central Division.

State

County

COMPUTATION SHEET FOR DETERMINATION OF RATE OF DEDUCTION FOR  
COUNTY ASSOCIATION EXPENSES UNDER 1940  
AGRICULTURAL CONSERVATION PROGRAM

1. Estimated number of Forms NCR-425 to be prepared.....
2. Number of Forms NCR-425 computed.....
3. Percentage of Forms NCR-425 ( $2\frac{1}{2}$ ).....
4. Total payments computed.....\$
5. Total deductions computed for multiple applicants.....\$
6. Estimated deductions which will be made (item 5 x     ).....\$
7. Estimated amount of payments less deductions (4-6).....\$
8. Item 7, adjusted for participation and increases in  
    payments.....\$
9. Estimated gross payments ( $8\frac{2}{3}$ ).....\$
10. Estimated gross payments under NCR-459.....\$
11. Total estimated gross payments under 1940 ACP ( $9 \div 10$ ).....\$
12. 1939 county association expenses.....\$
13. Adjusted amount of deduction made for 1939 county  
    association expenses.....\$
14. Deficient amount of 1939 deductions (12-13).....\$
15. Estimated amount of 1940 county association expenses.....\$
16. Excess amount of 1939 deductions (13-12).....\$
17. Credit for unusual expenses or conditions.....\$
18. Total credits ( $16 \div 17$ ).....\$
19. Amount of 1940 county association expenses to be  
    deducted ( $14 \div 15-18$ ).....\$
20. Rate of deduction ( $19 \div 11$ ).....\$

CERTIFICATION

We hereby certify that all entries and computations on this NCR-434 have been made in accordance with instructions in NCR-State 410 relating to the execution of such form.

(Date)

In Charge, Application for Payment Section

(Date)

Chairman, State Committee.



UNITED STATES DEPARTMENT OF AGRICULTURE  
AGRICULTURAL ADJUSTMENT ADMINISTRATION  
WASHINGTON, D. C.

1940 Agricultural Conservation Program

North Central Region

PROCEDURE FOR SPLITTING FARMS AFTER  
THE 1940 ALLOTMENTS AND YIELDS ARE DETERMINED

After the total soil-depleting and special allotments are determined and approved by the State committee, there will be instances in which it will be necessary to split farm allotments. Total soil-depleting allotments and special allotments other than wheat will be split in accordance with the following procedure. Wheat allotments will be split in accordance with instructions contained in NCR-410W, Section III.

The productivity index and yields determined for the original farm will be applicable to each of the component parts for 1940, unless the county committee determines that such productivity index or yield does not properly represent the productivity for each of the component parts. In such instances, the committee may determine the productivity index or yield which best represents each tract; provided, that the weighted productivity index or yields for the component parts do not exceed the productivity index or yield for the original farm.

Farm allotments will not be split after May 1, 1940, and all split farm listing sheets will be transmitted to the State office by May 15, 1940.

Total Soil-Depleting and Corn Allotments

Prepare a supplemental listing sheet by labeling a form NCR-409 "Supplemental Listing Sheet - Split Farms."

I.--For each farm for which the 1940 allotments must be split in order that such allotments may conform with the proper identities, entries will be made as follows:

A.--List in red in the appropriate columns the farm identification, the farm land, and the cropland, the history data from columns (8), (9), and (10); the NCR-203 indicated acreage; the approved 1940 total soil-depleting allotment; and the productivity data from columns (22), (23), and (24). For farms having corn allotments, also list the history data from columns (26), (27), and (28); the approved 1940 corn allotment; and the yield data from columns (38), (39), and (40).



B.--List in black on consecutive lines immediately below the red entries the new farm identification, farm land, and cropland for the component parts. The new 1940 farm number will be the next number available in the respective township listing.

C.--Obtain a ratio by dividing the cropland acreage for each of the component parts by the cropland acreage of the original farm. Enter such ratio in a convenient blank column.

D.--Compute the 1940 total soil-depleting and corn allotments for each of the component parts by multiplying the allotments established for the original farm by the respective ratio obtained in the preceding step.

E.--For purposes of reference, the history acreages shall be determined for each of the respective parts by applying the cropland ratio determined in (C) to the respective acreages listed for the original farm.

F.--Enter the productivity index and yield data in the respective columns for each component part.

II.--If the county committee determines that, due to unusual conditions, obvious inequities will result if allotments are apportioned on the ratio basis, allotments may be established for the component parts as follows:

A.--List in red all data for the original farm.

B.--List in black on consecutive lines immediately below the red entries the data for columns (1) to (12), inclusive, and (26) to (31), inclusive, for each of the component parts.

C.--Determine the entries for columns (13) to (16), inclusive, and column (32) for each of the component parts in accordance with the instructions contained in NCR-410 for these columns. In making computations in connection with these columns, the respective factors used on NCR-409 for regular farms will be applicable.

D.--To determine the total soil-depleting allotment, divide the red entry in column (19) by the total of the black entries in column (16) and enter the result, rounded to three decimal places, in column (17) after the red entry in



column (16). Compute the allotment for each of the component parts by multiplying each of the black entries in column (16) by the factor entered in column (17), and enter the result in column (17).

E.--To determine the corn allotment, divide the red entry in column (35) by the total of the black entries in column (32) and enter the result, rounded to three decimal places, in column (33) after the red entry in column (32). Compute the allotment for each of the component parts by multiplying each of the black entries in column (32) by the factor entered in column (33) and enter the result in column (33).

F.--Enter the productivity index and yield data in the respective columns for each component part.

III.--If the county committee finds that the acreage seeded to winter wheat on the original farm was within the allotment for the farm that must be split, they may apportion the allotments for the component parts determined in accordance with the preceding instructions on any other basis they deem necessary; providing, however, that a statement signed by all persons having an interest in the crops on the original farm is furnished the county committee giving prior approval of the distribution of the allotments. In such cases, encircle in red the allotments determined for each component part and enter directly above such encircled entries the new allotments.

In determining the allotments for each component part of the farm, the allotments for the component parts shall not exceed the respective allotments for the original farm except as otherwise provided for the small farm adjustment in determining allotments for cotton, tobacco, potatoes, and commercial vegetables.

The NCR-203 indication will be derived by completing a new form NCR-203 for each component part and adjusting the indication derived on such form by application of any township or county adjustment factors applied to the NCR-203 indications on NCR-209, columns (12) to (16), inclusive.

In all cases where one or more of the special soil-depleting allotments are split, make the proper entries on the regular supplemental listing sheet for split farms, in columns (42) to (47), inclusive, whichever are applicable.

The instructions contained in NCR-410 for determining the entry for column (18) shall be applicable for the adjustment of the total soil-depleting allotment for each component part.



After approval by the State committee, delete the entries for the original farm on NCR-409 and indicate the disposition thereof.

Noncrop Open Pasture Land and Grazing Capacities  
in the Range Combination Area

For each farm having noncrop open pasture land in the range combination area, which is split in accordance with the preceding instructions, entries will be made as follows:

- A.--List in red the noncropland and grazing capacity data from columns (27) to (35), inclusive.
- B.--List in black on consecutive lines immediately below the red entries the acreage data for columns (27) and (29) and the grazing capacity data for columns (31) to (35), inclusive, for each component part.

In determining the entries for each component part, the sum of the acreage entries and the weighted average grazing capacity for the component parts shall not exceed the respective entries for the original farm.

Tracts of land consisting solely of noncrop open pasture land may be split from farms after May 1, 1940, but not later than July 1, 1940. Instructions for splitting this noncrop open pasture land after May 1, 1940, will be released at a later date.

Potato and Commercial Vegetable Allotments

Prepare a supplemental listing sheet for potatoes or commercial vegetables by properly identifying a form NCR-409P "Supplemental Listing Sheet - Split Farms."

In the case of a commercial vegetable farm in Indiana, Michigan, or Ohio, the term "3 acres" shall be changed to "1 acre" each time it appears in the following instructions.

For each farm having a potato or commercial vegetable allotment, which is split in accordance with the preceding instructions, entries will be made as follows:

- A.--List in red the data for columns (1) to (20), inclusive, for the original farm.
- B.--List in black on consecutive lines immediately below the red entries the data for columns (1) to (8), inclusive, for each component part.
- C.--Determine the entries for columns (9) to (12),



inclusive, for each of the component parts in accordance with the instructions for these columns in NCR-410P or NCR-410V, whichever is applicable. The sum of the allotments for the component parts shall not exceed the allotment for the original farm by an amount in excess of the acreage which may be accounted for by the 3 acre provision.

D.--Enter the yield data in the respective columns for each component part.

After approval by the State committee, delete the entries for the original farm on NCR-409P and indicate the disposition thereof.

#### Tobacco Allotments

Prepare a supplemental listing sheet by labeling a form NCR-409T "Supplemental Listing Sheet - Split Farms."

For each farm having a tobacco allotment which is split in accordance with the preceding instructions, entries will be made as follows:

A.--List in red all data for the original farm.

B.--List in black on consecutive lines immediately below the red entries the data for columns (1) to (7), inclusive, for each of the component parts. Determine the entries for columns (8) to (13), inclusive, in accordance with the instructions contained in NCR-410T for such columns. However, the sum of the entries for the component parts as determined for columns (11), (12), and (13) shall not exceed the respective entries for the original farm.

C.--Determine the entry for column (14) for each of the component parts in accordance with the instructions for this column in NCR-410T.

D.--Determine the entries for columns (17) to (21), inclusive, for each component part.

After approval by the State committee, delete the entries for the original farm on NCR-409T and indicate the disposition thereof.

#### Cotton Allotments

Prepare a supplemental listing sheet by labeling a form NCR-409C "Supplemental Listing Sheet - Split Farms."

For each farm having a cotton allotment which is split in accordance



with the preceding instructions, entries will be made as follows:

- A.--List in red in the appropriate columns the farm identification, the acreage history data from columns (5) to (11), inclusive, the adjusted cropland from column (15), and the final adjusted acreage allotment from column (33).
- B.--List in black on consecutive lines immediately below the red entries the farm identification determined on NCR-409 for the respective parts.
- C.--Obtain a ratio by dividing the adjusted cropland acreage for each of the component parts by the adjusted cropland acreage of the original farm. Enter such ratio in a convenient blank column.
- D.--Compute the 1940 final adjusted allotment for each of the component parts by multiplying the allotment established for the original farm by the respective ratio obtained in the preceding step.
- E.--For purposes of reference and to allow for the adjustment for small farms, the history acreages shall be determined for each of the respective parts by applying the cropland ratio determined in (C) to the respective acreages listed for the original farm.
- F.--If the adjusted allotment computed for one of the component parts is less than 5 acres and also less than the respective entry in column (11), strike the computed entry and enter the smaller of the entry in column (11) or 5 acres.
- G.--Enter the yield data in the respective columns for each component part.

After approval by the State committee, delete the entries for the original farm on NCR-409C and indicate the disposition thereof.

#### Restoration Land

If an acreage of restoration land has been established for a farm which is split in accordance with the preceding instructions, entries will be made as follows:

- A.--List in red all data for the original farm.
- B.--List in black on consecutive lines immediately below the red entries the 1940 restoration land for each component part.

The sum of the entries for the component parts must equal the entry for the original farm.